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[Hancock, William Neilson, 1820-1888]

# REPORT

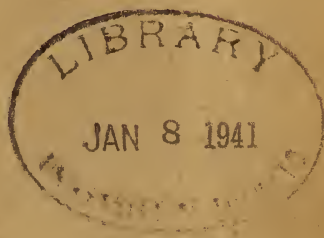
ON

## STATISTICS

OF

# SAVINGS IN IRELAND,

MIDSUMMER, 1881.



DUBLIN:

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1881.



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# REPORT ON SAVINGS IN IRELAND.

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64, Upper Gardiner-street,  
Dublin, 27th July, 1881.

SIR,

I have the honour to submit, for the information of His Excellency the Lord Lieutenant, the following Report upon Savings in Ireland, as indicated by the usual statistics compiled up to Midsummer, 1881.

## 1. *Aggregate Investments in Bank Deposits, Bank Circulation, Government Funds, Trustee and Post Office Savings Banks.*

As the statistics of this year present marked contrasts of increase and decrease in different classes of savings the best way of drawing a conclusion is to take an average of increases and decreases by comparing the aggregate of investments in Bank Deposits, Bank Circulation, Government Funds, Trustee, and Post Office Savings Banks, and this is done in the following Table :—

### 1. AGGREGATE SAVINGS measured by DEPOSITS in BANKS and SAVINGS BANKS, BANK NOTE CIRCULATION, and INVESTMENTS in GOVERNMENT FUNDS in middle of year.

	Amount in middle of year.	Yearly increase.	Yearly decrease.
1871,	73,314,000	—	—
1872,	74,621,000	1,307,000	—
1873,	73,105,000	—	1,516,000
1874,	74,134,000	1,029,000	—
1875,	75,369,000	1,235,000	—
1876,	76,785,000	1,416,000	—
1877,	76,035,000	—	750,000
1878,	73,830,000	—	2,205,000
1879,	72,525,000	—	1,305,000
1880,	71,687,000	—	838,000
1881,	70,899,000	—	788,000



This Table shows a falling off in aggregate savings in the standards of comparison usually taken of £788,000, following decreases of £838,000 in 1880, £1,305,000 in 1879, £2,205,000 in 1878, and 750,000 in 1877. Showing a total decrease, in the five years the crisis has lasted, of £5,886,000.

This aggregate decrease is made up of four decreases, in part balanced by an increase.

The four decreases are £4,526,000 in Bank Deposits and Cash Balances, £985,000 in Government Funds, on which dividends are paid at the Bank of Ireland, £734,000 in Bank Note Circulation, and £128,000 in deposits in Trustee Savings Banks. The only counter-balancing increase is in deposits in Post Office Savings Banks, which show an increase in the five years of £487,000.

Taking then the different classes of savings in the order of importance as affecting the result, the result of the statistics of each class since the last similar crisis of depression has been examined.

The changes in Bank Deposits, which come first for consideration, most nearly coincide with the changes in the aggregate of savings, and may consequently be taken as, on the whole, the best measure of the state of the country.

## 2. *Deposits and Cash Balances in Joint Stock Banks.*

The class of savings that show the greatest change in the year are the deposits and cash balances in the Joint Stock Banks, and I have added for comparison the corresponding statistics back to the year 1859, to include years when anything like a similar falling off occurred.

## DEPOSITS and Cash Balances in Irish Joint Stock Banks.

YEAR.	Amount.	Yearly Increase.	Yearly Decrease.
	£	£	£
1859, 31st December,	16,042,000	—	—
1860,        ,,	15,609,000	—	433,000
1861,        ,,	15,005,000	—	604,000
1862,        ,,	14,389,000	—	616,000
1863,        ,,	12,967,000	—	1,422,000
1864,        ,,	15,623,000	2,656,000	—
1865,        ,,	18,619,000	2,996,000	—
1866,        ,,	20,957,000	2,338,000	—
1867,        ,,	21,794,000	837,000	—
1868,        ,,	22,164,000	370,000	—
1869,        ,,	22,673,000	509,000	—
1870,        ,,	24,366,000	1,693,000	—
1871, 30th June,	26,049,000	1,683,000	—
1872,        ,,	27,214,000	1,165,000	—
1873,        ,,	28,194,000	980,000	—
1874,        ,,	29,859,000	1,665,000	—
1875,        ,,	31,815,000	1,956,000	—
1876,        ,,	32,815,000	1,000,000	—
1877,        ,,	32,746,000	—	69,000
1878,        ,,	31,745,000	—	1,001,000
1879,        ,,	30,191,000	—	1,554,000
1880,        ,,	29,350,000	—	841,000
1881,        ,,	28,289,000	—	1,061,000

The falling off in deposits and cash balances in the past year has been £1,061,000, from £29,350,000 in 1880, to £28,289,000 in 1881. The crisis of diminished deposits has now lasted for five years, and the aggregate diminution since 1876 has been £4,526,000; in the last similar crisis of 1860–63 the falling off continued for only four years in succession, and reached the amount of only £3,075,000.

The degree of falling off of £3,075,000 compared with the total in 1859, £16,042,000, was 19 per cent., whilst the falling off of £4,526,000 on the total in 1876 (£32,815,000) gives a considerable lower *rate* of falling off, less than 14 per cent.

### 3. *Investments in Government and India Stock.*

The usual statistics are given, carried back to the crisis of 1860-63, for comparison.

INVESTMENTS in GOVERNMENT and INDIA STOCK on which  
DIVIDENDS are paid in the BANK OF IRELAND.

YEAR.	Amount.	Yearly Increase.	Yearly Decrease.
	£	£	£
1859, 31st December,	40,304,000	—	—
1860,       "       .	40,112,000	—	192,000
1861,       "       .	38,972,000	—	1,140,000
1862,       "       .	38,081,000	—	891,000
1863,       "       .	36,849,000	—	1,232,000
1864,       "       .	37,115,000	266,000	—
1865,       "       .	37,450,000	335,000	—
1866,       "       .	36,958,000	—	492,000
1867,       "       .	37,128,000	170,000	—
1868,       "       .	37,023,000	—	105,000
1869,       "       .	36,871,000	—	152,000
1870,       "       .	36,549,000	—	322,000
1871, 30th June, .	36,927,000	378,000	—
1872,       "       .	36,756,000	—	171,000
1873,       "       .	34,953,000	—	1,803,000
1874,       "       .	34,739,000	—	214,000
1875,       "       .	33,640,000	—	1,099,000
1876,       "       .	33,424,000	—	216,000
1877,       "       .	32,613,000	—	811,000
1878,       "       .	31,809,000	—	804,000
1879,       "       .	33,037,000	1,228,000	—
1880,       "       .	33,113,000	76,000	—
1881,       "       .	32,439,000	—	674,000

This table shows a decrease in the year of £674,000, from £33,113,000 in 1880, to £32,439,000 in 1881.

If we take the whole five years of the present crisis, there has been a falling off in this class of investment of £985,000 from £33,424,000 in 1876, to £32,439,000 in 1881.

### 4. *Bank Note Circulation.*

The Statistics which show the next largest change is the Bank Note Circulation.



BANK NOTE CIRCULATION OF SIX BANKS OF ISSUE IN IRELAND  
(in June).

YEAR.	In period of 4 weeks ending date of Return in June in each Year.	Yearly Increase from June to June.	Yearly Decrease from June to June.
	£	£	£
1879, . . .	6,029,000	—	—
1880, . . .	5,932,000	—	97,000
1881, . . .	6,765,000	833,000	—

The Bank Note Circulation of four weeks ended 6th June, 1879 (£6,029,000) corresponds very closely to the average for the entire of the thirteen lunar monthly returns for 1879 (£6,066,000).

The following Table of such average yearly circulation for preceding years to 1868 is given for comparison with the circulation in June, 1879, 1880, and 1881, above. The Circulation for June, 1879, being, however, inserted for the yearly average of 1879 to facilitate the comparison of the two Tables :—

BANK NOTE CIRCULATION OF SIX BANKS OF ISSUE IN IRELAND.

*Yearly Average.*

YEAR.	Average of 13 Lunar Monthly Returns for each Year.	Average Yearly Increase.	Average Yearly Decrease.
	£	£	£
1868, . . .	6,189,000	—	—
1869, . . .	6,608,000	419,000	—
1870, . . .	6,880,000	272,000	—
1871, . . .	7,544,000	664,000	—
1872, . . .	7,674,000	130,000	—
1873, . . .	7,077,000	—	597,000
1874, . . .	6,772,000	—	305,000
1875, . . .	7,064,000	292,000	—
1876, . . .	7,499,000	435,000	—
1877, . . .	7,399,000	—	100,000
1878, . . .	6,968,000	—	431,000
1879,* . . .	6,029,000	—	939,000

\* Bank Note Circulation for June taken as explained in text.

It appears from these Tables that the decrease in Bank Note Circulation occurred during the first four years of the crisis, £100,000, in 1877 ; £431,000, in 1878 ; £939,000, in 1879 ; and £97,000, in 1880 ; amounting in the aggregate of the four years to £1,567,000, or 21 per cent. on the average circulation of 1876, £7,499,000.

There has been a recovery in the past year of the large amount of £833,000, reducing the falling off since 1876 to £734,000.

This increase if concurrent with an increase in Bank Deposits would be a most satisfactory symptom, as it might be assumed to arise chiefly from savings of the classes too poor to keep bank accounts or deposits in banks.

But as this increase is in the opposite direction to the decrease in the Bank Deposits, which amount to a loss of £1,061,000 in the year, there is only too much reason to fear that the increase in Bank Note Circulation to a considerable extent—probably one-half the increase, or £400,000—arises from the great destruction of credit which the crisis has produced, and the consequent extension of dealing for cash, and in part from cash held over to meet demands for rent due.

As this circumstance is, however, a matter of opinion, and does not admit of direct measurement, it has not been taken into account, and in calculating the aggregate diminution of savings in the year at £788,000, and the aggregate diminution of savings in the past five years at £5,886,000, the whole of the £833,000 increase in Bank Note Circulation has been assumed to be an increase in savings.

##### 5. *The Deposits in Trustee Savings Banks.*

These deposits indicate chiefly the condition of the artisan and servant class in the 28 towns where these institutions are in active operation, mixed up in 12 of the Banks in Ulster with some of the farming class. They show a decrease.

## DEPOSITS in Trustee Savings Banks.

YEAR.	Amount.	Yearly Increase.	Yearly Decrease.
	£	£	£
1861, 31st December,	2,153,000	10,000	—
1862, „	2,088,000	—	65,000
1863, „	2,072,000	—	16,000
1864, „	1,973,000	—	99,000
1865, „	1,837,000	—	136,000
1866, „	1,540,000	—	297,000
1867, „	1,633,000	93,000	—
1868, „	1,814,000	181,000	—
1869, „	1,975,000	161,000	—
1870, „	2,055,000	80,000	—
1871, 30th June,	2,151,000	96,000	—
1872, „	2,250,000	99,000	—
1873, „	2,131,000	—	119,000
1874, „	1,976,000	—	155,000
1875, „	2,005,000	29,000	—
1876, „	2,108,000	103,000	—
1877, „	2,225,000	117,000	—
1878, „	2,208,000	—	17,000
1879, „	2,116,000	—	92,000
1880, „	2,063,000	—	53,000
1881, „	1,980,000	—	83,000

This table shows a decrease of £83,000 in the past year, from £2,063,000 in 1880, to £1,980,000 in 1881, following decreases of £53,000 in 1880, £92,000 in 1879, and £17,000 in 1878, or of £245,000 in four years; setting off the increase of £117,000 in the first year of the crisis, we get the net decrease of £128,000 noticed in p. 6.

In the last crisis of 1860–63, the falling off in these Banks did not occur till the third year of the crisis—the Bank deposits showing a falling off in 1860, and the Trustee Savings Banks not till 1862. The falling off in the third, fourth, and fifth years of the last crisis in Trustee Savings Banks was only £180,000. In the present crisis the falling off in the Trustee Savings Banks occurred in the second year of the crisis; and the falling off to the end of the fifth year has been £245,000, or one-fourth more.

So the pressure on the artisan and servant class, and on the farming classes of some northern districts has been more severe than during the crisis of 1860–63.

### 6. *Deposits in Post Office Savings Banks.*

The deposits in Post Office Savings Banks are shown in the following table :—

DEPOSITS in Post Office Savings Banks.

YEAR.	Amount.	Yearly Increase.	Yearly Decrease.
	£	£	£
1861, 31st December,	Not established.	—	—
1862,       "	79,000	79,000	—
1863,       "	144,000	65,000	—
1864,       "	177,000	33,000	—
1865,       "	207,000	30,000	—
1866,       "	221,000	14,000	—
1867,       "	260,000	39,000	—
1868,       "	356,000	96,000	—
1869,       "	458,000	102,000	—
1870,       "	583,000	125,000	—
1871, 30th June,	643,000	60,000	—
1872,       "	727,000	84,000	—
1873,       "	750,000	23,000	—
1874,       "	788,000	38,000	—
1875,       "	845,000	57,000	—
1876,       "	939,000	94,000	—
1877,       "	1,052,000	113,000	—
1878,       "	1,100,000	48,000	—
1879,       "	1,152,000	52,000	—
1880,       "	1,229,000	77,000	—
1881,       "	1,426,000	197,000	—

These deposits show an increase in the year of £197,000, from £1,229,000 in 1880, to £1,426,000 in 1881, and shows an increase in the second, third, and fourth year of the crisis of an aggregate £177,000. In the second, third, and fourth year of the crisis of 1860–63, there was a precisely similar result, an increase of deposits of £177,000.

The explanation which has been suggested of this is that the Post Office Banks being so widely extended, spread over 600 offices, and so public in their dealings, chiefly catch a class of people having fixed salaries or wages, and who save small sums and are not much affected by the seasons or the consequent change of employment.



Added to this circumstance is the fact, that they are new institutions extending from year to year in number, and so opening up new channels for saving and tapping what would be otherwise hoarded.

The increase of £197,000 in 1881, is larger than in any year since the commencement of Post Office Savings Banks in Ireland in 1863, has arisen in part from the introduction of Government Penny Savings Banks. In Bray, for instance, about one-fourth of the accounts opened in the half-year are Penny Savings Bank accounts.

So far as the Post Office Savings Banks indicate the state of the working classes on precarious incomes, it is right to notice some other circumstances to be taken into account in connexion with the income of Post Office Savings Bank deposits. The present Postmaster-General (Right Hon. Henry Fawcett, M.P.), circulated gratuitously at the commencement of this year an official pamphlet "On the Post Office and Aids to Thrift." As to one of the Trustee Savings Banks public attention was called to the power of the Trustees to limit their liability to £100 each and so weaken their security to the Depositors in Trustee Savings Banks.

Then the rate of interest which Trustees can allow, as compared with interest in Post Office Savings Banks, has been reduced by Statute. These matters are calculated to increase the transfer of deposits from Trustee to Post Office Savings Banks.

These circumstances make it probable that part of the increase in Post Office Savings Banks is money withdrawn from Joint Stock Banks, and from Trustee Savings Banks, and part of what has been lodged in the past year is a class of saving not hitherto reached by preceding arrangement.

7. *Probable duration of Crisis, estimated from succession of Good and Bad Years indicated by the Statistics of Bank Deposits.*

The statistics of Bank Deposits commence in 1840, and it is worthy of notice as guiding us in estimating the duration of the present crisis to observe the succession



of good and bad years so far as the accumulation of Bank Deposits was concerned.

# PERIOD OF INCREASE.

		Amount above 1840.
1840,	5,568,000	—
1841,	6,023,000	455,000
1842,	6,417,000	849,000
1843,	6,966,000	1,398,000
1844,	7,601,000	2,033,000
1845,	8,031,000	2,463,000
1846,	8,442,000	2,874,000

PERIOD while DEPOSITS remained below what had been reached in 1846.

		Amount below 1846.
1847,	6,493,000	1,949,000
1848,	7,071,000	1,371,000
1849,	7,470,000	972,000
1850,	8,269,000	173,000
1851,	8,263,000	179,000

PERIOD of PROGRESS above amount in 1846 without any diminution for two years in succession.

		Amount above 1846.
1852,	10,773,000	2,331,000
1853,	10,915,000	2,473,000
1854,	11,666,000	3,224,000
1855,	12,286,000	3,844,000
1856,	13,753,000	5,311,000
1857,	13,113,000	4,671,000
1858,	15,131,000	6,689,000
1859,	16,042,000	7,600,000

PERIOD while DEPOSITS remained below what had been reached in 1859.

		Amount below 1859.
1860,	15,609,000	433,000
1861,	15,005,000	1,037,000
1862,	14,389,000	1,653,000
1863,*	12,967,000	3,075,000
1864,	15,623,000	419,000

PERIOD of PROGRESSIVE INCREASE above the amount in 1859.

		Amount above 1859.
1865,	18,619,000	2,577,000
1866,	20,957,000	4,915,000
1867,	21,794,000	5,752,000
1868,	22,164,000	6,122,000
1869,	22,673,000	6,631,000
1870,	24,366,000	8,324,000
1871,	26,049,000	10,007,000
1872,	27,214,000	11,172,000
1873,	28,194,000	12,152,000
1874,	29,859,000	13,817,000
1875,	31,815,000	15,773,000
1876,	32,815,000	16,773,000

\* In some banks cash balances not included before 1863, but interest was not then allowed on cash balances.

PERIOD while DEPOSITS remained below what had been reached in 1876.

		Amount below 1876.
1877,	32,746,000	69,000
1878,	31,745,000	1,070,000
1879,	30,191,000	2,624,000
1880,	29,350,000	3,465,000
1881,	28,289,000	4,526,000

First we have six years of progressive increase in which the Bank Deposits rose from £5,568,000 in 1840 to £8,442,000 in 1846.

Then the loss of £1,949,000 in 1847 was not recovered for five years, and it was not till 1852 that the deposits rose above the amount in 1846.

Then followed eight years without any depression extending beyond the single year of 1857, and the deposits rose above the amount in 1846, £8,442,000 to £16,042,000, or to very nearly double the previous amount.

Then the three wet years of 1860, 1861, 1862 drew the deposits down £3,075,000 below the amount in 1859, and the loss was not recovered till 1865. So we had, as in 1847, five years of checked progress.

From 1864 we have twelve years of uninterrupted progress, when the Bank Deposits and Cash Balances rose from £16,042,000 in 1859 to £32,815,000 in 1876, and to more than double the previous amount.

Then follow five unfavourable seasons when the Deposits and Cash Balances fell by £4,526,000 below the amount in 1876. This is a greater fall than in the crisis of 1847-51, or 1860-64, but not so large a per-centage.

The £1,949,000 fall in 1847 on £8,442,000 in 1846, was 23 per cent., the £3,075,000 in 1863, on £16,042,000 in 1859 was 19 per cent., while the £4,526,000 in 1881 on £32,815,000 in 1876, is less than 14 per cent.

In 1847 the loss (23 per cent.) occurred in a single year, and it was so great it took four years to recover. In 1863 the losses accumulated for four years, but being a less per-centage of loss (only 19 per cent.) it took only two years to recover; now the losses have accumulated for five years, and have reached only 14 per cent.

Although the hopeful anticipations of the harvest should be realized, we are not likely to escape a sixth and possibly a seventh year of the deposits remaining below the maximum in 1876, before the crisis began.

#### 8. *Statistics of Savings tested by Poor Law Statistics.*

The Statistics of Savings are corroborated by the Statistics of Poor Relief, as the pressure on the poor has been coincident with the financial pressure, as shown by the following table, as to the crisis of 1860-63, and the present crisis of 1876-81.

#### Number relieved\* under Poor Law.

Last week in June.	Total.	Yearly increase.	Yearly decrease.	Increase above 1860 and 1876 respectively.
1860,	44,722	—	—	—
1861,	48,713	3,991	—	3,991
1862,	61,863	13,150	—	17,141
1863,	69,313	7,450	—	24,591
1864,	64,886	—	4,427	20,164
1876,	73,738	—	—	—
1877,	75,870	2,132	—	—
1878,	83,036	7,166	—	9,298
1879,	89,192	6,156	—	15,454
1880,	126,059	36,867	—	52,321
1881,	113,177	—	12,882	39,339

It will be seen that the pressure on the poor is still very great, 113,177 being 39,339, or 53 per cent. above the number of 73,738 in 1876.

If the Guardians had the same power as they had under the temporary law in June, 1880, there can be little doubt there would have been as many in receipt of relief in June, 1881, as in June, 1880.

The number relieved in workhouses if added to those under the first section of the Act of 1847, is greater in 1881 than in 1880.

\* Exclusive of those in external hospitals, or in blind or deaf and dumb asylums.

Relieved in workhouses and under 1st section of Act of 1847, in last week in June.

1881, . . . . .	109,624
1880, . . . . .	107,807

Excess in 1881, . . . . .	1,827
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The reduction of 12,882 in 1881 arises, therefore, entirely under the head of "relieved outdoor otherwise than under section 1 of 10 Vic., c. 31, Poor Law Extension Act of 1847."

Relieved outdoor otherwise than under section 1 of 10 Vic., c. 31, in last week in June.

1881, . . . . .	3,353
1880, . . . . .	18,262

Excess in 1880. . . . .	14,709
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These figures show that as the financial pressure still continues in the fifth year of the crisis, so the pressure on the poor still continues unabated, the apparent improvement arises from the temporary partial assimilation with English law having come to an end, and the Irish Poor Law having reverted to its normal stringency as fixed by statute in 1847.

#### 9. *Indications of Improvement in State of Connaught Migratory Labourers.*

The Statistics of Migratory Labourers referred to in the last report is somewhat more favourable this year than last year.

The number of Migratory Labourers that went by the Midland Great Western Railway, in the first six months of 1881, was 22,890, being an increase of 1,767 in the number (21,123), in first six months of 1880.

The number in the whole of 1880, 27,659, had been an increase of 4,980, in the number in 1879 (22,679). If the increase in the rest of 1881 continues, the number will probably reach 30,000 or more than 7,000 above the minimum of 22,679 in the whole of 1879, which caused so much anxiety, following as it did the two years of numbers nearly as small, 23,880 in 1878, and 23,266 in 1877.



## 10. *Summary of Conclusions.*

1. The aggregate of savings measured by the usual tests of deposits in Banks and Savings Banks, Bank Note Circulation, and investments in Government funds, in the middle of the year, show a loss of £788,000 in the year 1881, following losses of £875,000 in 1880, £1,268,000 in 1879, £2,205,000 in 1878, and £750,000 in 1877.

2. The total of the successive decreases in aggregate savings in the five years, while the crisis has lasted since 1876, has been £5,886,000, from £76,785,000 in 1876 to £70,899,000 in 1881.

3. This decrease of £5,886,000 has been caused by four decreases in part balanced by one increase.

The four decreases are £4,526,000 in Bank Deposits and cash balances, £985,000 in Government Funds, on which dividends are paid at the Bank of Ireland; £734,000 in Bank Note Circulation, and £128,000 in deposits in Trustee Savings Banks.

4. The only counterbalancing increase is in Post Office Savings Banks, the deposits in which show an increase in the five years of £487,000.

5. The changes in Bank Deposits most nearly correspond with the changes in the aggregate of savings, and may consequently be taken as, on the whole, the best distinct measure of the state of the country. The falling off in deposits and cash balances in the present year has been £1,061,000, from £29,350,000 in 1880 to £28,289,000 in 1881.

6. The crisis of successive decreases in deposits has lasted for five years or one year longer than in the last preceding crisis of 1860-63. The falling off has now been £4,526,000, while the falling off in the last crisis was only £3,075,000.

7. That decrease of £3,075,000 was, however, 19 per cent. of the amount of deposits in 1859 (£16,042,000), while the present decrease of £4,526,000 below



£32,815,000 in 1876, is a decrease of only 14 per cent. In 1847, when a decrease of 23 per cent., £1,949,000 on £8,442,000, the amount of deposits occurred in a single year, it was four years before the previous amount of deposits was attained. In 1863, when, as noticed above, the decrease was 19 per cent., it was two years before the previous amount was attained. Now, notwithstanding the favourable appearance of the harvest, it will certainly take one year and most likely two before the loss of £4,526,000 (14 per cent. of the amount in 1876) is recovered.

8. The decrease in Bank Note Circulation occurred during the first four years of the crisis—£100,000 in 1877, £431,000 in 1878, £939,000 in 1879, and £97,000 in 1880, amounting in the aggregate of the four years to £1,567,000, or 21 per cent. on the average circulation of 1876, £7,499,000.

9. There has been a recovery in the past year of the large amount of £833,000, reducing the falling off since 1876 to £734,000.

This increase, if concurrent with an increase in Bank Deposits, would be a most satisfactory symptom, as it might be assumed to arise chiefly from savings of the classes too poor to keep Bank accounts or deposits in Banks.

10. But as this increase is in the opposite direction to the decrease in Bank Deposits, which amounts to a loss of £1,061,000 in the year, there is only too much reason to fear that the increase in Bank Note Circulation to a considerable extent, probably one half the increase, or £400,000, arises from the great destruction of credit which the crisis has produced, and the consequent extension of dealings for cash, and in part from notes held over to meet demands for rent due.

11. The Post Office Savings Banks show a different result in the total of the five years of the crisis from the other tests of savings, viz., an increase every year, amounting in the aggregate to £487,000. Of this

increase £177,000 occurred in the second, third, and fourth years of the crisis. An increase of precisely the same amount occurred in the same years of the last crisis of 1860-63.

12. The explanation which has been suggested of this is that the Post Office Banks being so widely extended, spread over 600 offices, and so public in their dealings, chiefly catch a class of people having fixed salaries or wages, and who save small sums, and are not much affected by the seasons or the consequent change of employment.

13. The exceptionally large increase in the Post Office Savings Bank deposits in 1881, £197,000, compared with £77,000 in 1880, is to be ascribed partly to the adoption of the Post Office Penny Bank. In Bray, for instance, one-fourth of the new accounts opened in the past half-year were connected with the Penny Bank system.

Then the new Postmaster-General, Right Hon. Henry Fawcett, M.P., has issued a large gratuitous issue of an official pamphlet on "The Post Office and Aids to Thrift."

14. Again attention has been called in public in the case of one of the Trustee Savings Banks to the power of the Trustees to limit their liability to £100 each, and weaken the security of the depositors. Then the rate of interest in Trustee Banks has been lowered—these matters are calculated to increase the transfer of deposits from Trustee to Post Office Savings Banks.

15. The Statistics of Savings are corroborated by the Statistics of Poor Relief, as in the former crisis of 1860-63. As the financial pressure has now lasted for five years. So the pressure on the poor has also lasted for five years. The number receiving relief viz., 113,177, being 39,339, or 53 per cent. above the number 73,738 in 1876. As there were 1827 more poor persons received out-door relief, under the 1st section of the Poor Law Extension Act of 1867, and in workhouses taken together in June, 1881, than in June, 1880, if the temporary partial

assimilation of Irish and English Poor Law had not expired, there would, no doubt, have been the same number relieved this year as last year, 126,059, being 52,321, or 71 per cent., above the number in 1876.

16. In the case of Migratory Labourers there is an improvement, the number carried by the Midland Great Western Railway Company being 22,890 in first six months of 1881, or 1767 above the number in 1880.

If the increase for the whole year should be proportional to what happened in 1880, the number for the whole year of 1881 would be probably 30,000, and this would be more than 7,000 above the minimum of 22,679 in 1879, which caused so much anxiety.

I have the honour to be, Sir,

Your obedient Servant,

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Under-Secretary.







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